

12.

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC.)
For Approval of Rate Increases)
And Revised Rate Schedules and)
Rules)
_____)

DOCKET NO. 2006-0386

ORDER NO. 23262

Filed Feb. 15, 2007

At 11 o'clock A.M.

Karen Higashida
Chief Clerk of the Commission

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OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC.)
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Docket No. 2006-0386

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ORDER

By this Order, the commission finds that HAWAIIAN ELECTRIC COMPANY, INC.'s ("HECO") application¹ is complete and properly filed under Hawaii Revised Statutes ("HRS") § 269-16(d) and Hawaii Administrative Rules ("HAR") § 6-61-87. Thus, the filing date of HECO's completed Application is December 22, 2006. In addition, the commission instructs HECO and the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate")² (jointly, the "Parties") to submit a stipulated procedural schedule for the commission's review and consideration, within thirty days from the date of this Order.

¹HECO's Application for Approval of Rate Increases and Revised Rate Schedules and Rules, and Certificate of Service, filed on December 22, 2006 ("Application").

²The Consumer Advocate is an ex officio party to this proceeding pursuant to HRS § 269-51 and HAR § 6-61-62.

I.

Background

On December 22, 2006, HECO filed its Application, requesting approval of rate increases and revised rate schedules and rules. Specifically, HECO requests commission approval of a general rate increase under HRS § 269-16 of approximately \$99,556,000, or 7.1%, over revenues at current effective rates.³ The requested increase is based on estimated total revenue requirements of \$1,501,782,000 for the normalized 2007 test year (based on August 2006 fuel oil and purchased energy prices, and an 8.92% rate of return on HECO's average rate base). HECO is also proposing several new rate designs and rate schedules, including an inclining rate block structure for residential customers, optional time-of-use rates, and standby service rates.

II.

Discussion

A.

Completed Application

Upon review of the Application, and there being no objection to the completeness of the Application,⁴ the commission

³Revenues at current effective rates include revenues from the interim rate increase approved by the commission in Interim Decision and Order No. 22050, filed in HECO's 2005 test year rate case, Docket No. 04-0113. If revenues from the interim rate increase are excluded, the requested relief over revenues at present rates is estimated to be \$151,505,000.

⁴Under HRS § 269-16(d), the Consumer Advocate may object to the sufficiency of any application for a rate increase,

finds that the Application is complete and properly filed under HRS § 269-16(d) and HAR § 6-61-87. Accordingly, the filing date of HECO's completed Application is December 22, 2006.⁵

B.

Stipulated Procedural Schedule

HRS § 269-16(d) requires the commission to "make every effort to complete its deliberations and issue its decision as expeditiously as possible and before nine months from the date the public utility filed its completed application[.]" For this reason, the commission finds it prudent to require the Parties to: (1) initiate the discovery process forthwith; and (2) submit a stipulated procedural schedule setting forth the issues and procedures to govern this proceeding, within thirty days from the date of this Order.⁶

Based on the commission's finding above that the filing date of HECO's completed Application is December 22, 2006, the commission's nine-month deadline to issue its decision in this docket is September 22, 2007. Accordingly, the stipulated procedural schedule that the Parties submit to the commission

within twenty-one days after receipt of the application. The Consumer Advocate did not file any statement as to the completeness of the Application by January 16, 2007 -- the deadline for doing so under HRS § 269-16(d).

⁵The public hearing on HECO's completed Application is scheduled for March 6, 2007; the deadline to intervene or participate in this proceeding is March 16, 2007.

⁶If intervenor or participant status is later granted to any interested person, the commission, in its discretion, may amend any stipulated procedural schedule approved by the commission, if necessary.

should, to the extent possible, allow the commission to complete its deliberations and issue a decision by September 22, 2007. If the Parties are unable to stipulate to such a schedule, each Party shall submit a proposed procedural schedule for the commission's consideration by the same date.

III.

Orders

THE COMMISSION ORDERS:


1. The filing date of HECO's completed Application is December 22, 2006.

2. The Parties shall: (a) initiate the discovery process without delay; and (b) submit to the commission a stipulated procedural schedule, incorporating their agreed-upon schedule with respect to this proceeding, within thirty days from the date of this Order. The Parties stipulated procedural schedule should, to the extent possible, allow the commission to complete its deliberations and issue a decision by September 22, 2007. If the Parties are unable to stipulate to such a schedule, each Party shall submit a proposed procedural schedule for the commission's consideration by the same date.

DONE at Honolulu, Hawaii

FEB 15 2007

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
John E. Cole, Commissioner

APPROVED AS TO FORM:



Kaiulani Kidani Shinsato
Commission Counsel

2006-0386 eh

CERTIFICATE OF SERVICE

I hereby certify that I have on this date served a copy of the foregoing Order No. 23262 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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Karen Higashi

DATED: FEB 15 2007